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PRESS RELEASE

AG Gansler and MDE Secretary Summers Announce \$22,000 Settlement with Homebuilder Toll Brothers Inc.

Alleged Clean Water Act, stormwater compliance program violations at core of \$741,000 national settlement

Toll Brothers also under court order to improve stormwater management

Baltimore, MD (**June 21, 2012**) - Attorney General Douglas F. Gansler and Maryland Department of the Environment Secretary Robert M. Summers today announced a settlement with Toll Brothers, Inc., one of the nation's largest homebuilders, who will pay a civil penalty of \$741,000, including \$22,000 to Maryland, to resolve alleged Clean Water Act violations at its construction sites. The settlement involves alleged violations of the storm water management and permitting requirements at Toll Brothers Inc. construction sites, including locations within the Chesapeake Bay Watershed.

"Stormwater management regulations are in place to protect the health and vitality of every Maryland waterway and the Chesapeake Bay," said Attorney General Gansler. "This agreement addresses systemic failures and a disregard for Maryland's environment and the health of the Chesapeake Bay Watershed. We are telling the major national homebuilders that they must follow the same rules as everybody else."

"Clean water is the foundation of our economic and public health. It is absolutely critical that we reduce pollution from stormwater runoff to protect our streams, rivers and Chesapeake Bay," said Maryland Department of the Environment Secretary Robert M. Summers. "The steps that this homebuilder must take under this settlement will advance the cause of restoring local waterways and serve as an example to others who might not be paying proper attention to environmental regulations."

Toll Brothers Inc. construction sites involved with this settlement include individual residential home locations in Anne Arundel, Baltimore, Harford, Howard, Montgomery, Prince George's and Worcester counties.

Reducing polluted stormwater runoff is a key element of Maryland's Watershed Implementation Plan, the detailed strategy to restore local waterways and the Chesapeake Bay and meet the requirements of EPA's "pollution diet." Maryland's recent actions to reduce stormwater pollution include: the Stormwater Management Act of 2007, which requires nonstructural best management practices and environmental site design techniques be implemented to the maximum extent practicable in development and redevelopment projects; a revised general

permit to control stormwater discharge during construction; and new municipal stormwater permits being issued for Maryland's 10 largest counties. These controls are estimated to reduce urban stormwater pollution by 20 to 30 percent when fully implemented.

Under the settlement, Toll Brothers will invest in a company-wide stormwater compliance program to improve employee training and increase management oversight at all current and future residential construction sites in 23 states across the nation. The company is required to inspect its current and future construction sites routinely to minimize stormwater runoff from sites.

EPA estimates the settlement will prevent millions of pounds of sediment from entering U.S. waterways every year, including sediment that would otherwise enter the Chesapeake Bay, North America's largest and most biologically diverse estuary. The bay and its tidal tributaries are threatened by pollution from a variety of sources and are overburdened with nitrogen, phosphorus and sediment that can be carried by stormwater. Polluted stormwater runoff and sediment from construction sites can flow directly into the nearest waterway, affecting drinking water quality and damaging valuable aquatic habitats.

The government complaint, filed simultaneously with the settlement agreement in the U.S. District Court for the Eastern District of Pennsylvania, alleges over 600 stormwater violations that were discovered through site inspections and by reviewing documentation submitted by Toll Brothers. The majority of the alleged violations involve Toll Brothers' repeated failures to comply with permit requirements at its construction sites, including requirements to install and maintain adequate stormwater pollution controls.

The Clean Water Act requires permits for the discharge of stormwater runoff. In general, Toll Brothers' permits require that construction sites have controls in place to prevent pollution from being discharged with stormwater into nearby waterways. These controls include common-sense safeguards such as silt fences, phased site grading and sediment basins to prevent construction contaminants from entering the nation's waterways.

The settlement requires Toll Brothers to obtain all required permits; develop site-specific pollution prevention plans for each construction site; conduct additional site inspections beyond those required by stormwater regulations; and document and promptly correct any problems. The company must properly train construction managers and contractors on stormwater requirements and designate trained staff for each site. Toll Brothers must also submit national compliance summary reports to EPA based on management oversight inspections and reviews.

The settlement also includes Toll Brothers sites in Arizona, California, Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Massachusetts, Michigan, Minnesota, New Jersey, New York, North Carolina, Nevada, Ohio, Pennsylvania, Rhode Island, South Carolina, Texas, Virginia and West Virginia.

The consent decree, lodged in the U.S. District Court for the Eastern District of Pennsylvania, is subject to a 30-day public comment period and approval by the federal court. A list of sites included in the settlement, including Maryland sites, can be found in Appendix N to the Consent Decree, which is available on EPA's website at

http://www.epa.gov/compliance/resources/decrees/civil/cwa/tollbrothers-cd.pdf.

More information on Maryland's Stormwater Management Program: www.mde.state.md.us

More information on EPA stormwater enforcement at: www.epa.gov/oecaerth/data/planning/priorities/cwastorm.html